

Quarterly Review
April-June 2007

Securities and Exchange Commission
Bangladesh

SECURITIES AND EXCHANGE COMMISSION
Quarterly Review
April-June 2007

A PUBLICATION OF THE SEC

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CAPITAL MARKET NEWS

The Commission

The Securities and Exchange Commission (SEC) was established as a capital market regulator in Bangladesh under the Securities and Exchange Commission Act, 1993. The main objectives of the Commission are furnished below:

- Ensuring proper issuance of securities,
- Protection of the interest of investors in securities,
- Development of the capital and securities markets and
- Regulation of the capital and securities markets in Bangladesh.

Market Performance:

During April-June 2007 period the total issued capital of all listed securities of the Dhaka Stock Exchange Ltd. was Tk.1,64,279 million **registering** an increase of 6.95% over the previous Quarter's Tk.1,53,603 million. Similarly the said figure of the Chittagong Stock Exchange Ltd. was Tk. 81,032.87 million during April-June 2007 **accounting** an increase of 7.23% over the previous Quarter's Tk 75,563.45 million. The market capitalization of all listed securities of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange were Tk.4,91,684 million and TK 3,98,499 million at the end of April-June 2007 period as compared to TK. 4,05,493 million and Tk. 3,27,838 million in the corresponding period of January-March 2007.

New Member of SEC:

Mr. Mansur Alam joined the Securities and Exchange Commission as member on June 11, 2007. Prior to his new appointment he worked as Executive Director of SEC. Mr. Alam attended many trainings, seminars and workshops on capital market in home and abroad. He is the first SEC official who is appointed by Government of Bangladesh as SEC Member.

Activities of SEC:

Activities of the Securities and Exchange Commission (SEC) during April-June 2007 Quarter are given below:

Investors' Education Program Held:

SEC conducts Investors' Education Program on regular basis throughout the year. Such programs were held during this quarter twice a month where 157 investors attended. In these programs focus was given on regulatory framework, types of securities and rights of shareholders, central depository system, surveillance systems, procedure of investment in primary and secondary market etc. SEC officials conducted the said program. Besides this, SEC also conducted Investors' Education Program jointly with DSE and ICB in

Barisal and Khulna during this period where more than five hundred investors participated.

Training Program for Authorized Representatives Held:

As a part of registration requirement training programs for authorized representative of the member of the Dhaka and Chittagong Stock Exchanges were held on 22-23 April and 4 -5 April, 2007 in the DSE and SEC Conference Room respectively where 66 authorized representatives attended. Senior officials of SEC, DSE and CSE conducted the said training highlighting various aspects of capital market including relevant securities laws.

Dhaka Stock Exchange Ltd. (DSE)

Investors' Awareness Program Held:

With a view to aware general investors of capital market Dhaka Stock Exchange organized Investors Awareness Programs in Rajshahi and Bogra on June 9 and 10, 2007 respectively. DSE President Mr. Md. Abdullah Bokhari was the chairperson in the programs. The President said that without adequate knowledge on share business nobody should participate in securities business. He emphasized upon the need of taking informed investment decision. He added that investors could play significant role to develop the country's economy through investment in capital market. He informed the audience that DSE had upgraded its automated online trading system so that investors could take part in trading from the different parts of the country. SEC Executive Directors Mansur Alam and Anwarul Kabir Bhuiyan, high officials of DSE, Managing Director of ICB, representative of local trade bodies, local bank officials and a large number of investors attended the program.

Seminar on Capital Market held in University of Development Alternatives (UODA):

A seminar on "Bangladesh capital market, its growth potentials and challenges" was held in University of Development Alternatives on June 2, 2007. Prof. Dr. Emajuddin Ahamed presided over the seminar. DSE Senior Vice President Ahmad Rashid, Professor Abu Ahmad of Dhaka University and Mr. Salahuddin Ahmed Khan, CEO of DSE deliberated on various aspects of development of securities market. Mr. Siddique Hayat Khan, Lecturer, UODA presented a research paper on "Interest Rates and Capital Market Development in Bangladesh" in the seminar.

Investors Conference-2007 Held:

A two day long investor's conference jointly organized by DSE, CSE and City bank N.A was held on 10 May, 2007 in Dhaka to encourage the non-resident Bangladeshi to invest in the Bangladesh capital market. Bangladesh Bank Governor and Securities and Exchange Commission Chairman were present as Chief Guest and Guest of Honor

respectively in the inaugural session. Capital market experts from many countries including Bangladesh attended in the conference. Local public limited companies were also encouraged to raise capital through public issue in the above conference.

Chittagong Stock Exchange (CSE)

Seminar on “Capital Market and Book-Building System” held in CSE:

CSE and the City Bank N.A jointly organized a seminar on “Capital Market and Book-Building System” in the CSE Conference Room on April 15, 2007. Ms. Silmat Chishti, resident Vice President, City Bank N. A was the key presenter in the Seminar. She presented in detail methodology of Book-Building system and its probable impact on the capital market. CSE President Mr. Mohiuddin gave welcome address in the Seminar. CSE nominated Director and CEO of City Bank N.A Mamun Rashid also spoke in the Seminar.

CSE Extended its Trading Network:

As part of expansion of automated on line trading for securities business in the country CSE extended its trading network to Khulna through opening a branch of ICB Securities Trading Co. Ltd on May 27, 2007.

Training Program on “Financial Derivatives” Held:

Chittagang Stock Exchange Ltd. and National Stock Exchange of India Ltd. (NSE) jointly organized a four day long training program on “Financial Derivative” at BRAC Inn, Dhaka from 22-25 June, 2007. Fifty participants from CSE and other market intermediaries attended the training. The SEC Chairman Mr. Faruq Ahmad Siddiqi was the chief guest in the closing ceremony. SEC Chairman said that capital market needs various products and that derivatives could widen the product base. He also added that SEC would make necessary regulation for this in near future. CSE president M K M Mohiuddin, SEC Members- Saleh Ahmed Chowdhury, .Mohammad Ali Khan and Mansur Alam were also present in the program.

CORPORATE FINANCE

AGM of the following companies held during April-June 2007 and dividend declaration information of the said companies are furnished:

Sl. No.	Name	Date of AGM	Cash Dividend %	Stock Dividend %
01.	First Lease International Ltd.	20/06/2007	--	20.00
02.	Al-Arafah Islami Bank Ltd.	13/05/2007	--	35.00
03.	Bangladesh Industrial Finance Co. Ltd.	21/05/2007	15.00	--
04.	Bank Asia Ltd.	30/04/2007	--	25.00
05.	Brac Bank Ltd.	18/06/2007	--	20.00
06.	Dutch Bangla Bank Ltd.	30/04/2007	25.00	--
07.	Eastern Bank Ltd.	12/06/2007	20.00	25.00
08.	Export Import Bank Ltd.	03/06/2007	20.00	5.00
09.	IDLC of Bangladesh Ltd.	16/04/2007		33.33
10.	IPDC of Bangladesh Ltd.	22/05/2007		5.00
11.	Islamic Finance & Investment Ltd.	07/06/2007	5.00	--
12.	Lanka Bangla Finance Ltd.	28/05/2007	10.00	--
13.	Mercantile Bank Ltd.	31/05/2007	--	25.00
14.	Mutual Trust Bank Ltd.	17/05/2007	20.00	5.00
15.	National Bank Ltd.	10/04/2007	--	50.00
16.	National Credit and Commerce Bank Ltd.	29/04/2007	10.00	12.50
17.	One Bank Ltd.	29/04/2007	10.00	17.00
18.	Peoples Leasing and Financial Services Ltd.	23/06/2007	--	30.00
19.	Premier Leasing International Ltd.	28/05/2007	15.00	--
20.	Prime Finance & Investment Ltd.	29/04/2007	20.00	10.00
21.	South East Bank Ltd.	22/04/2007	20.00	8.00
22.	Standard Bank Ltd.	29/04/2007	--	20.00
23.	The City Bank Ltd.	04/06/2007	--	10.00
24.	United Leasing Co. Ltd.	07/05/2007	20.00	--
25.	Uttara Bank Ltd.	30/04/2007	20.00	100.00
26.	Uttara Finance & Investment Ltd.	25/04/2007	10.00	20.00
27.	Confidence Cement Ltd.	17/06/2007	15.00	--
28.	Heidelberg Cement	07/06/2007	16.00	5.00
29.	Lafarge Surma Cement	28/06/2007	--	--
30.	Padma Cement Ltd.	24/06/2007	--	--
31.	Aziz Pipes Ltd.	27/06/2007	--	--
32.	Bangladesh Lamps Ltd.	20/05/2007	30.00	--
33.	Bangladesh Thai Aluminium Ltd.	28/06/2007	--	--
34.	Eastern Cables Ltd.	24/06/2007	10.00	--
35.	Monno Jute Staffler Ltd.	21/06/2007	25.00	--
36.	Rangpur Foundry Ltd.	20/06/2007	16.00	--
37.	Singer Bangladesh Ltd.	14/05/2007	35.00	--
38.	Alpha Tobacco Mfg. Co. Ltd.	24/06/2007	--	--
39.	Beach Hatchery Ltd.	25/06/2007	--	--

Sl. No.	Name	Date of AGM	Cash Dividend %	Stock Dividend %
40.	Bengal Biscuits Ltd.	28/06/2007	--	--
41.	British American Tobacco Co. Ltd.	06/06/2007	30.00	--
42.	Modern Ind. (Bd.) Ltd.	07/06/2007	--	--
43.	Mona Food Ind. Ltd.	28/06/2007	--	--
44.	National Tea Co. Ltd.	10/06/2007	20.00	--
45.	BOC Bangladesh Ltd.	10/05/2007	70.00	--
46.	Summit Power Ltd.	31/05/2007	--	20.00
47.	Agrani Insurance	27/06/2007	7.00	--
48.	Bangladesh General Insurance Co. Ltd.	25/06/2007	8.00	7.00
49.	Central Insurance Co. Ltd.	25/05/2007	10.00	10.00
50.	Eastland Insurance Co. Ltd.	27/06/2007	10.00	21.00
51.	Green Delta Insurance Co. Ltd.	28/06/2007	30.00	--
52.	Karnaphuli Insurance Co. Ltd.	28/06/2007	--	12.00
53.	Mercantile Insurance	28/06/2007	10.00	--
54.	Nitol Insurance Co. Ltd.	21/06/2007	8.00	--
55.	Phoenix Insurance Co. Ltd.	27/06/2007	--	30.00
56.	Pioneer Insurance Co. Ltd.	28/06/2007	20.00	--
57.	Pragati Insurance Ltd.	14/06/2007	15.00	15.00
58.	Reliance Insurance Ltd.	07/06/2007	15.00	--
59.	United Insurance Co. Ltd.	10/05/2007	--	30.00
60.	Information Services Network Ltd.	26/06/2007	15.00	--
61.	Intech Online Ltd.	28/06/2007	--	10.00
62.	Apex Footwear Ltd.	26/04/2007	25.00	--
63.	Bata Shoe Co. (Bd.) Ltd.	30/05/2007	235.00	--
64.	Berger Paints	28/05/2007	110.00	--
65.	GQ Ball Pen Ltd.	28/06/2007	25.00	--
66.	Himadri Ltd.	16/06/2007	10.00	--
67.	Jago Corporation Ltd.	24/06/2007	--	--
68.	Paper Processing & Packaging Ltd.	28/06/2007	--	--
69.	Sonali Paper & Board Mills Ltd.	22/04/2007	--	--
70.	ACI Ltd.	26/06/2007	60.00	--
71.	Glaxo Smithkline Ltd.	24/05/2007	10.00	--
72.	Pharmaco International	28/04/2007	--	--
73.	Rahman Chemicals Ltd.	28/06/2007	--	--
74.	Reckitte Benckiser (Bd.) Ltd.	04/04/2007	200.00	--
75.	Renata Ltd.	16/06/2007	50.00	20.00
76.	The Ibn Sina Pharmaceuticals Ltd.	22/06/2007	21.00	--
77.	Therapeutics Bangladesh Ltd.	28/06/2007	--	--
78.	Monno Febrics Ltd.	20/06/2007	6.00	--
79.	Safko Spinning Mills Ltd.	21/06/2007	4.00	--
80.	Square Textile Ltd.	07/06/2007	30.00	15.00

CAPITAL ISSUE

During April-June, 2007 period the Commission accorded consent to the following five companies to raise capital through initial public offering. The followings are the information of the said companies:

Figure in Million Taka

Name of the Company	Date of Approval/ Publication of Prospectus	Total Capital	Sponsors Equity			Public Equity			Total (7+8+9)	Remarks
			Local	Foreign	Total	General Public	Foreign placement	Local placement		
1	2	3	4	5	6	7	8	9	10	11
Bangladesh Finance & Investment Co. Ltd.	08/05/2007 10/05/2007	30.33	23.33 (As at 30/9/06)	---	23.33	7.00	---	--	7.00	At par
Phoenix Finance & Investment Limited	17/5/2007 20/05/2007	33.62	21.12 (As at 31/12/06)	-	21.12	12.50	--	--	12.50	At par
International Leasing & Financial Services Ltd.	17/5/07 21/5/07	23.00	18.00 (As at 31/12/06)	---	18.00	5.00	---	---	5.00*	At a premium of Tk. 125.00 per share.
Trust Bank Ltd.	17/5/07 21/5/07	116.67	70.00 (As at 31/3/07)	---	70.00	46.67	--	--	46.67**	At a premium of Tk. 50.00 per share
Paramount Insurance Co. Ltd.	17/5/07 20/5/07 & 21/5/07	15.00	6.00 (As at 31/12/06)	---	6.00	9.00	---	---	9.00	At par

* including premium of Tk. 125.00 per share the amount of public equity is Tk. 112.5 million

** Including premium of Tk. 50.00 per share the amount of public equity is Tk. 700.00 million

Capital Raising:

During the period under review the Commission accorded consent to the following Thirteen public limited and Six private limited companies to raise capital whose capital exceeded Taka 10 million and 100 million respectively.

Public Limited Company

Serial No.	Name of the Company	Applied for	Consent letter issued on	Amount in Million Tk.
1	Fidelity Assets & Securities Co. Ltd.	Bonus shares of Tk.15.00 million & Rights shares of Tk.85.00 million	05/04/2007	100.00
2	First Security Bank Ltd.	Ordinary shares of Tk. 100.00 million	26/04/2007	100.00
3	Infrastructure Development Co. Ltd.	Ordinary Shares of Tk. 100.00 million	12/06/2007	100.00
4	Gulshan Spinning Mills Ltd.	Ordinary Shares of Tk. 40.00 million	19/06/2007	40.00
5	United Airways (Bd) Ltd.	Ordinary shares of Tk.170.00 million	04/04/2007	170.00
6	Labaid Cardiac Hospital	Ordinary Shares of Tk. 125.00 million	04/04/2007	125.00
7	STS Holdings Ltd.	Ordinary shares of Tk.149.50 million	26/04/2007	149.50
		Ordinary shares of Tk.350.00 million	27/05/2007	350.00
8	BSRM Steels Ltd.	Ordinary shares of Tk.48.12 million	23/04/2007	48.12
9	Nowapara Jute Mills Ltd.	Rights Shares of Tk.4.25 million & Bonus Shares of Tk.8.50 million	17/04/2007	12.75
10	Bangladesh Shipping Corporation	Ordinary shares of Tk.2672.60 million	22/05/2007	2,672.60
11	Sonali Bank Ltd.	Ordinary shares of Tk.5000.00 million	19/04/2007	5,000.00
12	Janata Bank Ltd.	Ordinary shares of Tk.2593.90 million	24/04/2007	2,593.90
13	Agrani Bank Ltd.	Ordinary shares of Tk.2484.20 million	24/04/2007	2,484.20
Total				13,856.08

Private Limited Company

Serial No.	Name of the Company	Applied for	Consent Letter issued on	Amount in Million Tk.
1	Nor-Pearl Knitwear Ltd.	Ordinary Shares of Tk.41.39 million	26/04/2007	41.39
2	Ranks Telecom Ltd.	Ordinary Shares of Tk.120.00 million	04/04/2007	120.00
3	Home Textiles Ltd.	Ordinary Shares of Tk.67.00 million	05/04/2007	67.00
4	Cosmopolitan Industries (Pvt) Ltd.	Ordinary Shares of Tk.350.36 million	23/04/2007	350.36
5	Planet Textiles Co. Ltd.	Preference Shares of Tk.25.00 million	17/04/2007	25.00
6	C.P. Bangladesh Co. Ltd.	Ordinary Shares of Tk.269.65 million	19/06/2007	269.65
Total				873.41

Rights Issue

Serial No.	Name of the Company	Approved on	Amount in Million Tk.
1	Social Investment Bank Ltd.	24/04/2007	534.55
Total			534.55

SUPERVISION AND REGULATION OF MARKETS AND INTERMEDIARIES

During April- June 2007 Quarter the following complaints were lodged with the Commission. Measures taken by the Commission on the same are shown in the following table:

Against Listed Companies:

Nature of complaints	Received During the Quarter	Under Process	Referred for Enforcement Action	Resolved
Non payment or delay in payment of declared dividend	11	01	01	09
Non payment of debenture installment and interest	-	-	-	-
Regarding transfer of shares	07	-	03	04
Non receipt of letter of Right share offering	01	01	-	-
Non receipt of bonus shares	02	-	-	02
Non receipt of Annual Report	01	-	-	01
Regarding refund warrant	01	-	-	01
Non demat of shares	-	-	-	-
Miscellaneous	04	-	-	04
Total	27	02	04	21

Against Stock Broker/Dealer:

Nature of complaints	Received During the Quarter	Under Process	Referred for Enforcement Action	Referred to DSE/CSE for action	Resolved
Non delivery of shares	-	-	-	-	-
Non payment of clients money	-	-	-	-	-
Regarding transfer of shares in the link BO account	-	-	-	-	-
Miscellaneous	02	01	-	-	01
Total	02	01	-	-	01

CENTRAL DEPOSITORY SYSTEM

During April-June 2007 the following four companies and three Mutual Funds joined Central Depository Bangladesh Ltd. (CDBL). During this period the total number of companies under CDBL stood at 118.

SI No.	Name of the Company	Joining date
01.	Uttara Bank Ltd.	10 May 2007
02.	United Insurance Company Ltd.	22 May 2007
03.	Golden Son Ltd. (IPO)	22 May 2007
04.	The Premier Bank Ltd. (IPO)	27 May 2007
05.	1 st ICB Mutual Fund	20 June 2007
06.	2 nd ICB Mutual Fund	20 June 2007
07.	ICB AMCL 1 st Mutual Fund	20 June 2007

REGISTRATION

Issuance and Renewal of Stock Broker Registration Certificate:

During April-June 2007 Quarter the Commission issued Stock Broker registration certificate to the following four members of Dhaka Stock Exchange Ltd. and one member of Chittagong Stock Exchange Ltd. under the Securities and Exchange Commission Act, 1993 (সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩) as amended. Moreover, the Commission renewed forty six and thirty stock broker/stock dealer registration certificates of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange respectively during the said period.

Dhaka Stock Exchange:

Sl.#	Name & Address of the Stock Broker	Member #	Registration Certificate No. & Issue Date
01	Harpoon Securities Limited Apartment#E-2, Green Corner, House#99,Road#4,Block-A, Banani Dhaka-1213	DSE-131	Reg.3.1/DSE-131/2007/144 Date: 23 May 2007
02	Islami Bank Bangladesh Limited Islami Bank Tower, 40 Dilkusha C/A, Dhaka-1000.	DSE-107	Reg.3.1/DSE-107/2007/145 Date: 23 May 2007
03	Modern Equities Limited 81 Airport Road, Tejgaon, Dhaka-1215	DSE-206	Reg.3.1/DSE-206/2007/146 Date: 28 May 2007
04	Crest Securities Limited	DSE-08	Reg.3.1/DSE-08/2007/147

99 Kazi Nazrul Islam Avenue, Dhaka-1215	Date: 13 June 2007
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Chittagong Stock Exchange:

Sl.#	Name & Address of the Stock Broker	Member #	Registration Certificate No. & Issue Date
01	Adams Securities Ltd. Room # 604, 9/F Motijheel C/A Dhaka- 1000	CSE-016	Reg.3.2/CSE-16/2007/139 Date: 10 April 2007

Issuance of Authorized Representative Registration Certificate:

During the quarter, the Commission issued One hundred and thirty three and Sixteen (total 149) authorized representative registration certificates to the applicants of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Ltd. respectively under the Securities and Exchange Commission (Registration of Authorized Representatives) Regulations, 2000.

Issuance and Renewal of Depository Participant Registration Certificate:

During the said period, the Commission issued the following registration certificates to eleven applicants under the Securities and Exchange Commission (Registration of Depository Participants) Regulations, 2003 and renewed sixty registration certificates those were accorded earlier.

List of Depository Participants:

Sl.#	Name & Address of the Stock Broker	Member-ship No.	Type of DP	Registration Certificate No. & Issue Date
01.	Ittehad Securities Limited 27/23 K M Das Lane, Tikatuli, Dhaka-1203	DSE#110	Full Service	SEC/Reg./CDBL-DP-239 26 April 2007
02.	Adams Securities Limited Room # 604, 9/F Motijheel C/A, Dhaka-1000.	CSE#016	Full Service	SEC/Reg./CDBL-DP-240 14 May 2007
03.	Sylhet Metro City Services Ltd. Al Marzan Shopping Centre (2 nd Floor, Zindabazar, Sylhet.	CSE#025	Full Service	SEC/Reg./CDBL-DP-241 21 May 2007
04.	Business Trade Syndicate Ltd. Dhaka Trade Centre (12 th Floor) 99 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1000	DSE#226	Full Service	SEC/Reg./CDBL-DP-242 23 May 2007

05.	DN Securities Ltd. Jacks Shopping Complex (2 nd Floor),316 Sheikh Mujib Road, Agrabad, Chittagong	CSE#089	Full Service	SEC/Reg./CDBL-DP-243 23 May 2007
06.	Global Securities Ltd. Room#511, 9/F Motijheel C/A, Dhaka-1000.	DSE#60	Full Service	SEC/Reg./CDBL-DP-244 24 May 2007
07.	Oman Bangladesh Leasing & Finance Ltd. Azmal Arcade (2 nd Floor), Pathantuly, Sheikh Mujib Road, Chittagong.	CSE#088	Full Service	SEC/Reg./CDBL-DP-245 28 May 2007
08.	Desa Securities Ltd. Room No.502, DSE Building,9/F Motijheel C/A,Dhaka-1000	DSE#85	Full Service	SEC/Reg./CDBL-DP-246 13 June 2007
09.	Harpoon Securities Ltd. 158-160 Modhumita Building (9 th Floor), Motijheel C/A, Dhaka-1000	DSE#131	Full Service	SEC/Reg./CDBL-DP-247 21 June 2007
10.	Shohrab Securities & Trade Ltd. 9-G Motijheel C/A (3 rd Floor), Dhaka-1000	DSE#225	Full Service	SEC/Reg./CDBL-DP-248 21 June 2007
11.	Modern Equities Limited 81 Airport Road, Tejgaon, Dhaka-1215	DSE#206	Full Service	SEC/Reg./CDBL-DP-249 21 June 2007

Issuance of DP registration certificate to DPs who have converted into corporate bodies:

During April-June 2007 quarter the Commission issued Depository Participant Registration Certificate in favor of two members of Dhaka Stock Exchange Limited under the *১৯৯৩ সালের ডি.সি.এ. আই. অধীনে* (১৯৯৩ সালের ডি.সি.এ. আই. অধীনে) *১৯৯৩ সালের ডি.সি.এ. আই. অধীনে*, 2000 after converting into corporate entities from proprietorship concerns .

Issuance of Security Custodian Registration Certificate:

During the Quarter the Commission issued Security Custodian Registration Certificates to IDLC of Bangladesh Ltd.

Approval of Trustee for Mudaraba Perpetual Bond (MPB):

Securities and Exchange Commission has accorded permission to Investment Corporation of Bangladesh (ICB) to act as Trustee for Tk. 3000 million Mudaraba Perpetual Bond (MPB) of Islami Bank Bangladesh Limited.

SEC SURVEILLANCE SYSTEM

Regular Inspection:

During the Quarter as part of regular monthly inspection, SEC's inspection team visited and inspected of the following stock-brokers / stock-dealers offices of DSE and CSE to examine books and records in order to ensure proper compliance of securities related laws, rules and regulations.

Nature of Inspection	Inspection Against
Monthly regular inspection for the month April, 2007	Shyamol Equity Mgmt. Ltd. (DSE Membership # 03)
	Alpha Securities Ltd. (CSE Membership # 001)
Monthly regular inspection for the month May, 2007	PFI Securities Ltd. (DSE Membership # 79)
	Skys Securities Ltd. (CSE Membership # 084)
Monthly regular inspection for the month June, 2007	Fortune Securities (Pvt.) Ltd. (DSE Membership # 147)
	Holy City Securities Ltd. (CSE Membership # 093)

Investigation:

To ensure fair trading and confidence of investors in the securities market it is necessary to ensure proper compliance with securities related laws, rules and regulations by market participants through inspection and investigation in suspicious and / or manipulative cases. In these connections, the following stock-brokers/stock-dealers activities have been investigated by SEC during April –June 2007:

Nature of Enquiry & Investigation	Investigation & Enquiry Against
Shares trading of Brac Bank Ltd. at DSE during 31 st January to 1 st February 2007	Equity Partners Securities Ltd., AB Bank Foundation, Popular Equities Ltd. , Lanka Bangla Securities Ltd.
Corporate declaration and shares trading of Eastern Cables Ltd. at DSE of recent past.	Major involving stock-brokers/stock-dealers of DSE.

Unusual price hike and shares trading of Therapeutics (Bangladesh) Ltd. on 9 th May 2007 at DSE	Ibrahim Securities Ltd. (DSE Membership No. 033)
Shortage report of CDBL and shares trading of ACI Limited on 3 rd May 2007 at DSE	A. R. Chowdhury Securities Ltd. (DSE Membership No. 022)
Shortage report of CDBL and shares trading of Brac Bank Limited on 3 rd May 2007 at DSE	International Securities Ltd. (CSE Membership No. 096)
Verification of genuineness of an agreement conducted between Rettenwender & de Rooy Limited, Germany and Information Services Network Ltd.	Rettenwender & de Rooy Limited, Germany
Shortage report of CDBL and shares trading of Lanka Bangla Finance Ltd. on 13 th June 2007, at DSE	PFI Securities Ltd. (DSE Membership No. 079)

SEC ENFORCEMENT ACTIONS

During April-June 2007 the Commission took following enforcement actions against issuer companies, registered stock-dealers, stock-brokers, Merchant bankers for non-compliance of the securities laws.

Issuer Company:

During the quarter under review the Commission imposed penalty upon director/ sponsor director of fourteen issuer companies for non-compliance of securities related laws like non submission of half-yearly and yearly financial statements, non-holding of AGM, non disclosure of price sensitive information, non-payment of declared dividend, buying and selling of share through insider trading and financial statements not audited by the statutory auditor as per the securities law etc.

Besides, the Commission issued warning letters/caution letters to thirty three issuer companies for non-compliance of securities related laws viz. showing reserve by over valuing fixed asset of companies, delay in submission of financial statements, non compliance with securities laws in IPO shares distribution, delay in submission of half yearly and yearly financial statements, non-payment of declared dividend in time, non-submission of audio-visual recording of AGM, failure to fix the date, time, venue of AGM in spite of dividend declared by the board of director, failure to repay the interest and principal of debenture etc. .

A brief description of enforcement actions taken by the Commission against the issuer companies during April-June, 2007 is furnished below:

Nature of Actions	No. of Issuer Company
Penalty	14
Directives	-
Warning	31

Stock Broker/Stock Dealer/ Merchant Banker/Issue Manager/Authorized Representatives:

Besides above, the Commission issued warning letters to one stock dealer and one issue manager for not complying the securities rules and failure to comply with the securities rules concerning lottery of allotment of IPO share.

Legal Services Department

Court Cases of SEC:

Total 156 cases filed by or against SEC are pending in different courts. Name of the courts are given below along with number of pending cases :

Sl. No.	Name of the Court	Number of Cases
01.	Supreme Court of Bangladesh	Appellate Division High Court Division
		04 70
02.	Metropolitan Session Judge Court, Dhaka.	06
03.	5 th Joint Dist. Judge Court, Dhaka.	09
04.	4 th Asst. Judge Court, Dhaka.	02
05.	Chief Metropolitan Magistrate Court, Dhaka.	07
06.	General Certificate Court, Dhaka.	58
Total Cases :		156

- Out of total 15 Share Scam cases of 1996, two cases are now pending before the Honorable Supreme Court, Appellate Division, nine cases before the Honorable Supreme Court, High Court Division and rest four cases are pending before the Metropolitan Session Judge Court, Dhaka.
- Thirteen Certificate cases have been filed against the directors of nine companies to recover the penalty imposed upon them by the Commission for violation of securities laws during the period of April-June, 2007 Under Public Demand Recovery Act, 1913.
- A criminal case has been filed in the court of CMM, Dhaka on 22.05.2007 against Bangladesh Welding Electrodes Ltd. and others for violation of securities law.

DSE & CSE SCENARIO

Capital Market: As of 30 June 2007 the total issued capital of all listed securities of Dhaka Stock Exchange was TK 1,64,279 million (US\$ 2,380.17 million) which was TK 1,53,603 million (US\$ 2231.95 million) on 31 March 2007. In Chittagong Stock Exchange the total issued capital on 30 June 2007 was TK 81,031 (US\$ 1,191.66 million) which was TK. 75,563.45 million (US\$ 1,111.23 million) on 31 March 2007.

Stock Market Operation: During April-June 2007 quarter the total turnover in Dhaka Stock Exchange was 496.99 million securities valuing TK. 68,643.70 million (US\$ 994.48 million)

In the same period the total turnover in Chittagong Stock Exchange was 132.94 million securities amounting to TK. 11,977.70 million (US\$ 176.14 million) .

Market Capitalization: Total market capitalization of all securities listed with the Dhaka Stock Exchange was TK.4,91,684 million (US\$ 7,124 million) as on 30 June 2007 compared to TK.4,05,493 million (US\$ 5,892 million) as on 31 March 2007.

In the Chittagong Stock Exchange total market capitalization of all securities was TK.3,99,258 million (US\$.5,871.44 million) as on 30 June 2007 compared to TK.3,27,838 million (US\$.4,821.15 million) as on 31 March 2007.

Share Price Index: DSE all share price index stood at 1764.18 on 30 June 2007 compared to 1,498.58 on 31 March 2007. The CSE all share price index stood at 5,194.77 on 30 June 2007 while it was 4,273.45 on 31 March 2007. The index bases are 100 and 1000 for DSE and CSE respectively.

(1 US\$ =TK 68.82 For April-June 2007 quarter)

Bangladesh Capital Market Summary

As on 30 June 2007

Indicators		Dhaka Stock Exchange	Chittagong Stock Exchange
No. of companies		259	204
No. of mutual funds		14	14
No. of debentures		8	1
No. of treasury bonds		44	-
<i>Total No. of Listed Securities</i>		325	219
Figures in million			
No. of shares of all listed companies		1,735	1,530.10
No. of certificates of all listed mutual funds		162	162.25
No. of debentures of all listed debentures		0.40	0.05
No. of all listed bonds		0.80	-
<i>Total No. of Tradable Securities</i>		1898.20	1,692.40
Figures in million			
Issued capital of all companies	TK.	82,751	80,185.09
	US\$	1,199	1,179.19
Issued capital of all mutual funds	TK.	835	835
	US\$	12	12.28
Issued debentures	TK.	140	12.78
	US\$	2	0.19
Issued bonds	TK.	80,553	-
	US\$	1,167	
Total issued capital	TK.	1,64,279	81,032.87
	US\$	2,380.17	1,191.66
Figures in million			
Total Market Capitalization	TK.	4,91,684	3,98,499
	US\$	7124	5860.27
All Share Price index		1764.18	5,194.77

DSE OPERATIONAL STATISTICS

April-June 2007

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
April	1478.24	Tk. 4,12,580 US\$ 5960	21	108.01	5.14	Tk 11,328.55 US\$ 163.66	Tk 539.45 US\$ 7.79
May	1658.36	Tk. 4,59,429 US\$ 6,654	21	183.89	8.76	Tk 26,445.02 US\$ 382.98	Tk 1259.29 US\$ 18.23
June	1764.18	Tk. 4,91,684 US\$ 7124	20	205.09	10.25	Tk. 30,910.13 US\$ 447.84	Tk. 1545.51 US\$ 22.39
Total			62	496.99	8.05	TK. 68,643.70 US\$ 994.48	Tk.1, 114.75 US\$ 16.04

**Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.*

CSE OPERATIONAL STATISTICS

April-June 2007

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
April	4,264.24	Tk.3,25,594 US\$ 4,788.14	21	28.50	1.36	Tk. 2063.86 US\$ 30.35	Tk 98.28 US\$ 1.44
May	4,844.08	Tk 3,72,711 US\$ 5,481.04	21	53.57	2.55	Tk 4,663.35 US\$ 68.58	Tk 222.06 US\$ 3.26
June	5,194.77	Tk 3,99,258 US\$ 5,871.44	20	50.87	2.54	Tk 5,250.49 US\$ 77.21	Tk 262.52 US\$ 8.57
Total			62	132.94	2.15	Tk 11,977.70 US\$ 176.14	Tk 193.19 US\$ 2.84

**Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.*

